

Congress of the United States
Washington, DC 20515

August 8, 2023

Ms. Jenny Rone
Executive Director
Pandemic Response Accountability Committee
441 G Street, NW, Suite 1517
Washington, DC 20548

Dear Ms. Rone:

This letter is to alert the Pandemic Response Accountability Committee (PRAC) to possible waste, fraud, and abuse of the Paycheck Protection Program by an entity illegally operating in Reedley, California, located in California's 21st Congressional District. We urge the PRAC to review how this company was awarded federal pandemic relief funding and recover these funds taken by this entity if your review determines this action is appropriate.

According to recent media reports, Universal Meditech Inc./Prestige Biotech received nearly \$150,000 in Paycheck Protection Program loans in two installments in April 2020 and February 2021.¹ These loans were also forgiven by the federal government. It has now been determined that this company was not a legitimate business and was operating at least one illegal bio laboratory that was shut down in early 2023. The business license is filed in Nevada, but its owners are based in China.² The company President, Xiuqin Yao, has not been transparent, and information provided about its business operations has led to empty buildings or addresses in China that could not be verified.³

This situation is alarming, and we remain concerned that these illegal activities were reportedly sustained with federal taxpayer dollars intended to assist legitimate businesses as they worked to survive through a global pandemic.

Your attention to this matter is appreciated. We look forward to seeing the PRAC's swift action to determine whether any wrongdoing has taken place, and if so, recover taxpayer dollars and seek appropriate punishment of the entity and individuals involved.

Sincerely,



JIM COSTA
Member of Congress



KEVIN McCARTHY
Speaker of the House

¹ YourCentralValley.com, "\$150,000 of forgiven PPP loans given to company linked to illegal Reedley lab", Aug. 2nd, 2023.

² GVWire, "Federal Investigation Opens into Mysterious Reedley Medical Lab", July 31st, 2023.

³ KVPR, "Timeline: How health, city officials unraveled a secretive medical lab in Fresno County", Aug. 1st, 2023.